



June 21, 2011

Palmdale Regional Medical Center

OSHPD RATE INCREASE – ANNUAL REPORTING REQUIREMENT

Palmdale Regional Medical Center implemented rate increases effective January 1, 2011. The increases were not applied consistently to all individual charges. Some charges were increased up to 7%, while others received no increase. The overall impact of the rate increases was 6.5%. Due to the closing of Lancaster Community Hospital and the opening of Palmdale Regional Medical Center as a replacement hospital, there was a significant increase in utilization over the past 6 months, resulting in the hospital's gross revenue increasing by 46%, even though the overall rate increase was only 6.5%.

Sincerely,

A handwritten signature in black ink that reads "Kurt Broten". The signature is written in a cursive, flowing style.

Kurt Broten  
Chief Financial Officer